

**Application
Narrative
Cash Transmittal
Pre-Application
Pre-App Narrative
Pre-App Cash Transmittal
Development Standards**

Development Application



Development Application Type:

Please check the appropriate box of the Type(s) of Application(s) you are requesting

Zoning	Development Review	Land Divisions
<input checked="" type="checkbox"/> Rezoning (ZN)	<input type="checkbox"/> Development Review (Major) (DR)	<input type="checkbox"/> Subdivision (PP)
<input type="checkbox"/> In-fill Incentive (II)	<input type="checkbox"/> Development Review (Minor) (SA)	<input type="checkbox"/> Subdivision (Minor) (MD)
<input checked="" type="checkbox"/> Conditional Use Permit (UP)	<input type="checkbox"/> Wash Modification (WM)	<input type="checkbox"/> Land Assemblage
<input type="checkbox"/> Text Amendment (TA)	<input type="checkbox"/> Historic Property (HP)	Other
<input type="checkbox"/> Development Agreement (DA)	Wireless Communication Facilities	<input type="checkbox"/> Annexation/De-annexation (AN)
Exceptions to the Zoning Ordinance	<input type="checkbox"/> Small Wireless Facilities (SW)	<input type="checkbox"/> General Plan Amendment (GP)
<input type="checkbox"/> Minor Amendment (MN)	<input type="checkbox"/> Type 2 WCF DR Review Minor (SA)	<input type="checkbox"/> In-Lieu Parking (IP)
<input type="checkbox"/> Hardship Exemption (HE)	Signs	<input type="checkbox"/> Abandonment (AB)
<input type="checkbox"/> Variance/Accommodation/Appeal (BA)	<input type="checkbox"/> Master Sign Program (MS)	Other Application Type Not Listed
<input type="checkbox"/> Special Exception (SX)	<input type="checkbox"/> Community Sign District (MS)	<input type="checkbox"/> Other: _____

Project Name: Sunday Goods

Property's Address: 4255 N. Winfield Scott Plaza

Property's Current Zoning District Designation: C-2/P-3, DO

The property owner shall designate an agent/applicant for the Development Application. This person shall be the owner's contact for the City regarding this Development Application. The agent/applicant shall be responsible for communicating all City information to the owner and the owner application team.

Owner: Carter M. Crane

Agent/Applicant: George Pasquel III

Company:

Company: Withey Morris, PLC

Address: 3427 N. 47th Street, Phx 85019

Address: 2525 E AZ Biltmore Circle, Phx, AZ 85016

Phone: 602-315-0993 Fax:

Phone: 602.230.0600 Fax: N/A

E-mail: Carter.Crane@hotmail.com

E-mail: George@WitheyMorris.com

Designer:

Engineer:

Company: LGE Design Build

Company:

Address: 740 N. 52 Street Phx, AZ 85008

Address:

Phone: 480.966.4001 Fax: N/A

Phone: Fax:

E-mail: Andrewg@lgedesignbuild.com

E-mail:

Please indicate in the checkbox below the requested review methodology (please see the descriptions on page 2).

- ☒ **Enhanced Application Review:** I hereby authorize the City of Scottsdale to review this application utilizing the Enhanced Application Review methodology.
- ☐ **Standard Application Review:** I hereby authorize the City of Scottsdale to review this application utilizing the Standard Application Review methodology.



Enhanced Application Review:

I hereby authorize the City of Scottsdale to review this application utilizing the Enhanced Application Review methodology.



Standard Application Review:

I hereby authorize the City of Scottsdale to review this application utilizing the Standard Application Review methodology.

Carter M. Crane, Trustee
Owner Signature CRANE FAMILY REVOCABLE TRUST

George Pasquel III
Agent/Applicant Signature WITHEY MORRIS PLC

Official Use Only

Submittal Date:

Development Application No.:

Planning and Development Services

7447 East Indian School Road Suite 105, Scottsdale, Arizona 85251 • www.ScottsdaleAZ.gov

Development Application

Page 1 of 3

Revision Date: 5/10/2018

2-UP-2019

3/6/2019



City of Scottsdale Cash Transmittal

118793

118793
01197188
3/6/2019 PLN-16TOP
KWHEELER HP60062020
3/6/2019 3:52 PM
\$2,550.00

Received From :

TPI Capital, LLC
7201 E CAMELBACK RD
SCOTTSDALE, AZ 85251

Bill To :

George Pasquel III
2525 East Arizona Biltmore Cir
Phoenix, AZ 85016
(602) 230-0600

Reference #	652-pa-2018	Issued Date	3/6/2019
Address	4255 N WINFIELD SCOTT PZ	Paid Date	3/6/2019
Subdivision	WINFIELD SCOTT PLAZA UNIT TWO	Payment Type	CHECK
Marketing Name		Cost Center	
MCR	067-41	Jurisdiction	SCOTTSDALE
APN	173-51-072A	Water Zone	
Owner Information		Water Type	
CRANE CARTER M TR		Sewer Type	
4255 N. Winfield Scott Plaza		Meter Size	
Scottsdale, AZ 85251			
(602) 230-0600		QS	17-45
Lot Number	72		
Metes/Bounds	No		
Gross Lot Area	0		
NAOS Lot Area	0		
Net Lot Area	0		
Number of Units	1		
Density			

Code	Description	Additional	Qty	Amount	Account Number
3175	USE PERMIT APPLICATION		1	\$2,550.00	100-21300-44221

SIGNED BY GEORGE PASQUEL III ON 3/6/2019

Total Amount

\$2,550.00

2-UP-2019

(When a credit card is used as payment I agree to pay the above total amount according to the Card Issuer Agreement.)

3" and larger water meter fees are based on cost recovery. The city will contact the owner of the construction permit if additional funds are due. Payment will be due within 30 days notification.

TO HAVE WATER METER SET - CALL 480-312-5650 AND REFER TO TRANSMITTAL # 118793

Request for Site Visits and/or Inspections

Development Application (Case Submittals)



This request concerns all property identified in the development application.

Pre-application No: 652 -PA- 2018

Project Name: Sunday Goods

Project Address: 4225 N. Winfield Scott Plaza (APN No. 173-51-072A)

STATEMENT OF AUTHORITY:

1. I am the owner of the property, or I am the duly and lawfully appointed agent of the property and have the authority from the owner to sign this request on the owner's behalf. If the land has more than one owner, then I am the agent for all owners, and the word "owner" refer to them all.
2. I have the authority from the owner to act for the owner before the City of Scottsdale regarding any and all development application regulatory or related matter of every description involving all property identified in the development application.

STATEMENT OF REQUEST FOR SITE VISITS AND/OR INSPECTIONS

1. I hereby request that the City of Scottsdale's staff conduct site visits and/or inspections of the property identified in the development application in order to efficiently process the application.
2. I understand that even though I have requested the City of Scottsdale's staff conduct site visits and/or inspections, city staff may determine that a site visit and/or an inspection is not necessary, and may opt not to perform the site visit and/or an inspection.

Property owner/Property owner's agent: _____

GEORGE PASQUEL III - WITNES MORRIS, PLLC
Print Name

[Signature]
Signature

City Use Only:

Submittal Date: _____ Case number: _____

Planning and Development Services

7447 E Indian School Road, Suite 105, Scottsdale, AZ 85251 ♦ www.ScottsdaleAZ.gov

Request To Submit Concurrent Development Applications

Acknowledgment and Agreement



The City of Scottsdale recognizes that a property owner may desire to submit concurrent development applications for separate purposes where one or more of the development applications are related to another development application. City Staff may agree to process concurrently where one or more the development applications related to the approval of another development application upon receipt of a complete form signed by the property owner.

Development Application Types		
Please check the appropriate box of the types of applications that you are requesting to submit concurrently		
Zoning	Development Review	Signs
<input type="checkbox"/> Text Amendment (TA)	<input type="checkbox"/> Development Review (Major) (DR)	<input type="checkbox"/> Master Sign Program (MS)
<input checked="" type="checkbox"/> Rezoning (ZN)	<input type="checkbox"/> Development Review (Minor) (SA)	<input type="checkbox"/> Community Sign District (MS)
<input type="checkbox"/> In-fill Incentive (II)	<input type="checkbox"/> Wash Modification (WM)	Other
<input checked="" type="checkbox"/> Conditional Use Permit (UP)	<input type="checkbox"/> Historic Property (HP)	<input type="checkbox"/> Annexation/De-annexation (AN)
Exemptions to the Zoning Ordinance	Land Divisions (PP)	<input type="checkbox"/> General Plan Amendment (GP)
<input type="checkbox"/> Hardship Exemption (HE)	<input type="checkbox"/> Subdivisions	<input type="checkbox"/> In-Lieu Parking (IP)
<input type="checkbox"/> Special Exception (SX)	<input type="checkbox"/> Condominium Conversion	<input type="checkbox"/> Abandonment (AB)
<input type="checkbox"/> Variance (BA)	<input type="checkbox"/> Perimeter Exceptions	Other Application Type Not Listed
<input type="checkbox"/> Minor Amendment (MA)	<input type="checkbox"/> Plat Correction/Revision	<input type="checkbox"/>

Owner: Carter M. Crane

Company: _____

Address: 3427 N. 47th Street, Phoenix AZ 85019

Phone: 602-315-0993

Fax: _____

E-mail: CarterCrane@hotmail.com

As the property owner, by providing my signature below, I acknowledge and agree: 1) that the concurrent development applications are processed at the property owner's risk; 2) to hold the City harmless of all cost, expense, claims, or other liability arising in connection with the concurrent development applications; 3) to the City of Scottsdale's Substantive Policy Statement pertaining to Concurrent Applications; 4) to placing a development application on hold in order to continue processing a concurrent development application that is related to an another development application; and 5) that upon completion of the City review(s) of the development applications, one or more of the development application(s) may not be approved.

Property owner (Print Name): CARTER M. CRANE TRUSTEE Title: TRUSTEE

Carter M. Crane, Trustee
Signature

Date: 2/28/19

Official Use Only:

Submittal Date: _____

Request: ☐ Approved or ☐ Denied

Staff Name (Print): _____

Staff Signature: _____

Date: _____

Planning and Development Services

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Request to Submit Concurrent Development Applications

Page 1 of 1

Revision Date: 02/02/2015

2-UP-2019
3/6/2019

Development Application

Review Methodologies



Review Methodologies

The City of Scottsdale maintains a business and resident friendly approach to new development and improvements to existing developments. In order to provide for flexibility in the review of Development Applications, and Applications for Permitting, the City of Scottsdale provides two methodologies from which an owner or agent may choose to have the City process the application. The methodologies are:

1. Enhanced Application Review Methodology

Within the parameters of the Regulatory Bill-of-Rights of the Arizona Revised Statutes, the Enhanced Application Review method is intended to increase the likelihood that the applicant will obtain an earlier favorable written decision or recommendation upon completion of the city's reviews. To accomplish this objective, the Enhanced Application Review allows:

- the applicant and City staff to maintain open and frequent communication (written, electronic, telephone, meeting, etc.) during the application review;
- City staff and the applicant to collaboratively work together regarding an application; and
- City staff to make requests for additional information and the applicant to submit revisions to address code, ordinance, or policy deficiencies in an expeditious manner.

Generally, the on-going communication and the collaborative work environment will allow the review of an application to be expedited within the published Staff Review Time frames.

2. Standard Application Review Methodology:

Under the Standard Application Review, the application is processed in accordance with the Regulatory Bill-of-Rights of the Arizona Revised Statutes. These provisions significantly minimize the applicant's ability to collaboratively work with City Staff to resolve application code, ordinance, or policy deficiencies during the review of an application. After the completion the city's review, a written approval or denial, recommendation of approval or denial, or a written request for additional information will be provided.

The City is not required to provide an applicant the opportunity to resolve application deficiencies, and staff is not permitted to discuss or request additional information that may otherwise resolve a deficiency during the time the City has the application. Since the applicant's ability to collaboratively work with Staff's to resolve deficiencies is limited, the total Staff Review Time and the likelihood of a written denial, or recommendation of denial is significantly increased.

In addition to the information above, please review the Development Application, and/or the Application for Permitting flow charts. These flow charts provide a step-by-step graphic representation of the application processes for the associated review methodologies.

Note:

1. Please see the Current Planning Services and Long Range Planning Services Substantive Policy Statements and Staff Review Timeframes for Development Applications, number III.

Planning and Development Services

7447 East Indian School Road Suite 105, Scottsdale, Arizona 85251 • www.ScottsdaleAZ.gov



PHONE: 602-230-0600

FAX: 602-212-1787

2525 E. Arizona Biltmore Circle, Suite A-212, Phoenix, AZ 85016

Conditional Use Permit Narrative 4255 North Winfield Scott Plaza

INTRODUCTION & LOCATION

This application requests a conditional use permit to enable a medical marijuana dispensary. There are currently four other dispensaries operating in Scottsdale, all in the northern part of the city. The subject site is located at 4255 N. Winfield Scott Plaza, near the intersection of 5th Avenue and Winfield Scott Plaza (the "Property") as seen on the enclosed exhibits. The Property is currently zoned Central Business / Parking, Downtown overlay (C-2/P-3, DO) and Parking, Downtown Overlay (P-2, DO) with a pending rezoning request on the C-2/P-3, DO portion for Commercial Office / Parking, Downtown Overlay (C-O/P-3, DO). The Property has a General Plan designation of Mixed-Use Neighborhoods and is located within the Old Town Character Area Plan. The proposal advances the goals and policies of both guiding documents by providing a desired use at an ideally located site – currently occupied by a Tattoo Parlor. The existing building will be preserved and adaptively reused to house the new, 2,300 sqft dispensary. The proposed Sunday Goods dispensary will closely resemble a high-end retail experience the likes which might be found at Scottsdale Fashion Square or Scottsdale Quarter. The project utilizes best-of-class design and industry expertise to create comfortable, upscale and inviting setting, where accessory products and information are provided alongside patient-only dispensary areas.

USE PERMIT REQUESTS

Per Section 1.401 of the Zoning Ordinance, a Conditional Use Permit is required for a medical marijuana dispensary facility. The zoning ordinance lists the following criteria for evaluating a Conditional Use Permit request:

- a. That the granting of such conditional use permit will not be materially detrimental to the public health, safety or welfare. In reaching this conclusion, the Planning Commission and the City Council's consideration shall include, but not be limited to, the following factors: 1) Damage or nuisance arising from noise, smoke, odor, dust, vibration or illumination; and 2) Impact on surrounding areas resulting from an unusual volume or character of traffic.*

The use will by no means be detrimental to the public health, safety or welfare. Quite the contrary, the use will provide a beneficial health use to an under-served area of the community. Currently, the Scottsdale South CHAA (Community Health Analysis Area) is ranked by the Arizona Department of Health Services as a top 10 priority CHAA – meaning at of 126 CHAA's throughout the State, patients in this area

are the most underserved in their options for access to the medical marijuana treatment they have been subscribed. No damage or nuisance arising from noise, smoke, odor, dust, vibration or illumination will occur from this use. All associated operations are conducted within an enclosed building. No processing or cultivating occurs on site. All associated medical products arrive in pre-packaged, air-sealed packages. No on-site consumption is permitted (as is required by both City and State law). No detrimental impact to surrounding areas will occur from unusual traffic. The site is located within downtown Scottsdale where the ambient condition includes high pedestrian activity with vehicle traffic as would be expected in the downtown of a major employment, entertainment and tourist destination. A public opinion poll by a nationally-recognized firm with deep experience in Scottsdale shows widespread support too. 66 percent of Scottsdale voters said that placing a medical marijuana facility in the Winfield Plaza would be a good idea, while only 24 percent said it wouldn't be. Those closest to the site supported it by a large margin, 69 percent to 21 percent. A majority of voters across Scottsdale, 57 percent, said that the medical marijuana dispensaries that are currently operating in Scottsdale have done so responsibly, while only 7 percent say they have not. When Scottsdale voters were asked if Scottsdale was headed in the right direction or was on the wrong track, voters sided with "right direction" by 68 percent to 20 percent margin.

- b. The characteristics of the proposed conditional use are reasonably compatible with the types of uses permitted in the surrounding areas.**

As noted, the located is in downtown where a variety and mix of uses persists (and is encouraged by various City documents). The use will blend seamlessly with existing surrounding uses which consists of a diverse range of employment uses, street-level retail / restaurants, medical and other compatible uses. Notably, an open house on February 21, 2019 in which nearby property owners were invited yielded only four attendees.

- c. The additional conditions specified in Section 1.403, as applicable, have been satisfied.**

As noted below, the application satisfied the additional conditions specified in Ordinance Section 1.403 as applicable.

In addition to the standard Conditional Use Permit requirements, a marijuana dispensary is also subject to the following standards per Ordinance Section 1403.M.2.:

- a. All operation are conducted within a completely enclosed building, in conformance with Arizona Revised Statutes, Title 36, Chapter 28.1, Arizona Medical Marijuana Act, and regulations.**

All uses will be conducted within a completely enclosed building per the Arizona Revised Statutes.

- b. The medical marijuana use is at least one thousand five-hundred (1,500) feet from:**

- 1. Any residential use in a residential district or a PC or PRD with an underlying zoning district comparable to the residential districts show in Table 4.100.A of the Zoning Ordinance.**

The use is at least 1,500 feet from any residential district or PC or PRD district with an underlying zoning comparable to the residential districts noted in the ordinance.

- 2. Any elementary or secondary school or pre-school.**

A pre-school currently exists at 4221 N. Winfield Scott Plaza, within 1,500 feet of the subject site. The Applicant is working with this user on a relocation plan for a larger facility to continue to advance the goals and mission of the school. Per conversations with Staff, prior to the issuance of any Certificate of Occupancy for the requested use, the Applicant will have obtained a variance from this protected use or the protected use will cease operations.

- 3. Any place of worship.**

The use is at least 1,500 feet from any place of worship. Please note, the adjacent Christian Science Reading Room (CSRR) does not function as a "place of worship" as defined by City ordinance. Nonetheless, as part of the overall improvements to this corner, the CSRR will be vacating and the Applicant plans to renovate the existing building into a café/retail use.

- 4. Any daycare.**

The use is at least 1,500 feet from any daycare use.

- 5. Any public park.**

The use is at least 1,500 feet from any public park.

- c. The medical marijuana use is at least two thousand six hundred forty (2,640) feet from a medical marijuana caregiver cultivation use or another medical marijuana use.**

This provision is key to this application. The use is located at least 2,640 feet from cultivation sites and other medical marijuana uses. In fact, only one (1) dispensary is located within the entirety of the Scottsdale South CHAA. That dispensary is in the northernmost point of the CHAA (near Via De Ventura - leaving Scottsdale patients highly underserved).

- d. All distances are measured from the wall of the medical marijuana use nearest to the district(s) or use(s) indicated above, to the nearest property line of the**

district(s) or use(s) indicated above.

Separation has been measured in accordance to these standards.

- e. The property owner has provided a written exterior refuse control plan, subject to City approval.**

A Refuse Control Plan has been reviewed and approved by the Scottsdale Police Department. Conditions of the plan will be implemented by the Applicant and enforced. The project team has also met with Scottsdale Police Chief Alan Rodbell and his team. It yielded no concerns and positive dialogues as the department is well experienced with the existing dispensaries in Scottsdale. Scottsdale's Fire Chief also indicated no concerns with the proposal.

- f. The property owner has provided a written public safety plan, subject to City approval.**

A Public Safety plan has been reviewed and approved by the Scottsdale Police Department. Conditions of the plan will be implemented by the Applicant and enforced.

- g. The hours of operation for a medical marijuana use that provides, shares, exchanges, sells, or dispenses medical marijuana are no earlier than 6:00 a.m. and no later than 7:00 p.m.**

The operation will abide by these operation hours. Currently hours of operation are anticipated to be from 8am to 7pm.

- h. There is no drive-through service, take-out window, or drive-in service.**

As seen on the provided site plan, no drive-through, drive-in or take out window operation is proposed.

CONCLUSION

The conditional use permit requested meets or exceeds the approval criteria set forth in the zoning ordinance. The approval of this request will not be detrimental to any adjacent properties or uses – in fact, the opposite of this is true. The application marks a significant investment upgrade over existing conditions while provide first-class design and operations befitting its Scottsdale location.



PHONE: 602-230-0600

FAX: 602-212-1787

2525 E. Arizona Biltmore Circle, Suite A-212, Phoenix, AZ 85016

Conditional Use Permit Narrative 4255 North Winfield Scott Plaza

INTRODUCTION & LOCATION

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USE PERMIT REQUESTS

Per Section 1.401 of the Zoning Ordinance, a Conditional Use Permit is required for a medical marijuana dispensary facility. The zoning ordinance lists the following criteria for evaluating a Conditional Use Permit request:

- a. That the granting of such conditional use permit will not be materially detrimental to the public health, safety or welfare. In reaching this conclusion, the Planning Commission and the City Council's consideration shall include, but not be limited to, the following factors: 1) Damage or nuisance arising from noise, smoke, odor, dust, vibration or illumination; and 2) Impact on surrounding areas resulting from an unusual volume or character of traffic.***

The use will by no means be detrimental to the public health, safety or welfare. Quite the contrary, the use will provide a beneficial health use to an under-served area of the community. Currently, the Scottsdale South CHAA (Community Health Analysis Area) is ranked by the Arizona Department of Health Services as a top 10 priority CHAA – meaning at of 126 CHAA's throughout the State, patients in this area are the most underserved in their options for access to the medical marijuana treatment they have been subscribed. No damage or nuisance arising from noise, smoke, odor, dust, vibration or illumination will occur from this use. All associated operations are conducted within an enclosed building.

No processing or cultivating occurs on site. All associated medical products arrive in pre-packaged, air-sealed packages. No on-site consumption is permitted (as is required by both City and State law). No detrimental impact to surrounding areas will occur from unusual traffic. The site is located within downtown Scottsdale where the ambient condition includes high pedestrian activity with vehicle traffic as would be expected in the downtown of a major employment, entertainment and tourist destination. A public opinion poll by a nationally-recognized firm with deep experience in Scottsdale shows widespread support too. 66 percent of Scottsdale voters said that placing a medical marijuana facility in the Winfield Plaza would be a good idea, while only 24 percent said it wouldn't be. Those closest to the site supported it by a large margin, 69 percent to 21 percent. A majority of voters across Scottsdale, 57 percent, said that the medical marijuana dispensaries that are currently operating in Scottsdale have done so responsibly, while only 7 percent say they have not. When Scottsdale voters were asked if Scottsdale was headed in the right direction or was on the wrong track, voters sided with "right direction" by 68 percent to 20 percent margin.

b. The characteristics of the proposed conditional use are reasonably compatible with the types of uses permitted in the surrounding areas.

As noted, the located is in downtown where a variety and mix of uses persists (and is encouraged by various City documents). The use will blend seamlessly with existing surrounding uses which consists of a diverse range of employment uses, street-level retail / restaurants, medical and other compatible uses. Notably, an open house on February 21, 2019 in which nearby property owners were invited yielded only four attendees.

c. The additional conditions specified in Section 1.403, as applicable, have been satisfied.

As noted below, the application satisfied the additional conditions specified in Ordinance Section 1.403 as applicable.

In addition to the standard Conditional Use Permit requirements, a marijuana dispensary is also subject to the following standards per Ordinance Section 2.:

a. All operation are conducted within a completely enclosed building, in conformance with Arizona Revised Statutes, Title 36, Chapter 28.1, Arizona Medical Marijuana Act, and regulations.

All uses will be conducted within a completely enclosed building. This includes the ground level information and associated retail area and, more importantly, the second-floor, patient only access area.

b. The medical marijuana use is at least one thousand five-hundred (1,500) feet from any residential use in a residential district or a PC or PRD with an

underlying zoning district comparable to the residential districts show in Table 4.100.A of the Zoning Ordinance.

The use is at least 1,500 feet from any residential district or PC or PRD district with an underlying zoning comparable to the residential districts noted in the ordinance.

- c. The medical marijuana use is at least two thousand six hundred forty (2,640) feet from a medical marijuana caregiver cultivation use or another medical marijuana use.**

This provision is key to this application. The use is located at least 2,640 feet from cultivation sites and other medical marijuana uses. In fact, only one (1) dispensary is located within the entirety of the Scottsdale South CHAA. That dispensary is in the northernmost point of the CHAA (near Via De Ventura - leaving Scottsdale patients highly underserved).

- d. All distances are measured from the wall of the medical marijuana use nearest to the district(s) or use(s) indicated above, to the nearest property line of the district(s) or use(s) indicated above.**

Separation has been measured in accordance to these standards.

- e. The property owner has provided a written exterior refuse control plan, subject to City approval.**

A Refuse Control Plan has been reviewed and approved by the Scottsdale Police Department. Conditions of the plan will be implemented by the Applicant and enforced. The project team has also met with Scottsdale Police Chief Alan Rodbell and his team. It yielded no concerns and positive dialogues as the department is well experienced with the existing dispensaries in Scottsdale. Scottsdale's Fire Chief also indicated no concerns with the proposal.

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- g. The hours of operation for a medical marijuana use that provides, shares, exchanges, sells, or dispenses medical marijuana are no earlier than 6:00 a.m. and no later than 7:00 p.m.**

The operation will abide by these operation hours. Currently hours of operation are anticipated to be from 8am to 7pm.

- h. There is no drive-through service, take-out window, or drive-in service.**

As seen on the provided site plan, no drive-through, drive-in or take out window operation is proposed.

CONCLUSION

The conditional use permit requested meets or exceeds the approval criteria set forth in the zoning ordinance. The approval of this request will not be detrimental to any adjacent properties or uses – in fact, the opposite of this is true. The application marks a significant investment upgrade over existing conditions while provide first-class design and operations befitting its Scottsdale location.

Operation Plan



An Operation Plan explains operational characteristics of a proposed use.

1. Business use type: Marijuana Dispensary
2. Days of Operation: Monday, Tuesday, Wednesday, Thursday, Friday, Saturday, Sunday
3. Hours of Operation: 9am - 7pm Monday - Saturday, 10am - 6pm Sundays
4. Number of employees
 - a. Full time, indicate work shift 12 full time employees working staggered shifts
 - b. Part time, indicate work shift 40 part time employees working staggered shifts
5. Other business officials on site if not employees None
6. Customer characteristics
 - a. Patron seating Couch seating for patients
 - b. Frequency and peak time of customer activity Peak times are typically after 4pm
7. Outdoor operations
 - a. Explain all outdoor activities (e.g. everything that takes place outside the confines of an enclosed building):
 - Parking Yes
 - Loading Yes
 - Storage None
 - Display None
 - Product demonstrations/testing None
 - Activities that take place within areas that are walled but not roofed or covered None.
 - Other activities None
8. Description of service activities such as parking lot sweeping, loading, trash hauling and similar associated activities. Regular day porter maintenance, as well as trash pick up.
 - a. Frequency of service Activities: days of week, hours of day Cleaning is daily
 - b. Location of Service Activities relative to lower intensity uses NA
9. Description of refuse removal:
 - a. The location of anticipated parking area for customers including those located off the site.
On site parking
 - b. The area surrounding the property that will be cleaned of debris by the applicant NA
 - c. Time of day of refuse removal. Before 9am

Planning and Development Services

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Operation Plan



An Operation Plan explains operational characteristics of a proposed use.

10. Description of activities that generate noise that will be apparent to/from adjoining properties.

a. Source of noise None

b. Noise level in DBA at source of noise and point of impact None

c. Description and diagrams of noise source location None

11. Description and documentation of how noise is abated

a. Narrative description None

b. Attach site plans, elevation, and other plans that visually demonstrate noise source and noise levels, and how noise will be abated

12. Proposal for noise monitoring and maintenance of acceptable noise level: None

Schools Only:

1. Number of students on site at any given time: _____

2. Frequency of drop offs and pick-ups (start and stop times) on each day of the week: _____

Planning and Development Services

7447 E. Indian School Road, Suite 105, Scottsdale, AZ 85251 ♦ www.ScottsdaleAZ.gov

CITY OF SCOTTSDALE
Public Safety and Refuse Control Plan
For Medical Marijuana Facilities

Please indicate by Circling: **Dispensary, Cultivation, or Both**

Scottsdale Police Department, 3700 North 75th Street, Scottsdale, AZ 85251

Phone: 480-312-5000

City of Scottsdale Current Planning, 7447 E. Indian School #105, Scottsdale AZ 85251

Phone: 480-312-7000

Project # ____ -PA-2011 or Case # ____ -UP-2011

Assigned Planner: _____

Police Detective: _____

Facility Name: Cardinal Square, Inc. dba Sunday Goods

Facility State I.D. Number: 00000114DCPD00232092

Address: 4255 N. Winfield Scott, Scottsdale, AZ 85251

Business Phone: TBD

Business FAX: N/A

Maximum Occupancy: _____

Effective Date of the Plan: _____

Date of Plan Review: _____

Use Permit Issue Date: _____

Contact Person (1): Randy Smith

Cell Phone: 602-330-7775

Contact Person (2): Madison Kendall/Chrissie-ann Green

Home Phone: 602-321-6709/516-241-1298

Purpose of the Plan

To address security measures, maintenance, waste management and operations for a facility that requires a Security, Maintenance and Operations Plan pursuant to Scottsdale Revised Codes. The applicable uses are as follows: Medical Marijuana Dispensary, Medical Marijuana Cultivation and Medical Marijuana Processing, all of which require a Conditional Use Permit. The contents of this plan will address the listed concerns as well as community concerns regarding:

- Compatibility with surrounding structures and uses
- Dispensary security and patron safety
- Waste disposal measures related to the dispensing, cultivation or processing of the product

It is the intent of the City of Scottsdale to provide an environment that enhances the safeguarding of property as well as public welfare and to limit the need for law enforcement involvement.

The Permittee agrees that successful execution and enforcement of this Plan are a required condition of the use permit. Termination, cancellation, deviation or non-approval of the Plan constitutes a breach of the Plan and could result in the revocation of the use permit.

Operations and Hours

1. Permittee: Cardinal Square, Inc.
Type of Organization: ☐ Arizona Corporation ☒ Corporation
☐ Sole Proprietorship ☐ LLC
☐ Partnership ☐ Other
2. Managing Agents Name: Randal Smith
Title: Principal Board Member
Address: 7201 E. Camelback Road, Suite 350
Phone Numbers: 302-330-7775
Fax or Other Numbers:
3. Business Owner(s) (if different than Managing Agent) Name, Address,
Phone:

4. Property Owner or Property Manager (if different from Managing Agent)
Name, Address, Phone:

5. Hours of Operation:

	Open	Closed
Monday	9AM	7PM
Tuesday	9AM	7PM
Wednesday	9AM	7PM
Thursday	9AM	7PM
Friday	9AM	7PM
Saturday	9AM	7PM
Sunday	10AM	6PM

6. Cooperation/Complaints/Concerns:

Permittee will maintain communications with establishments located on and adjacent to the premises, and with residents and other businesses that may be affected by patrons or operations of the Permittee. Permittee designates the following person to receive and respond to concerns or complaints from other residents or businesses:

Name: Randy Smith Address: 7201 E. Camelback Road Phone: 602-330-7775

Permittee, managing agents, on-duty managers, supervisors and security personnel will cooperate closely with Scottsdale Police, City of Scottsdale Code Enforcement staff or other City staff as well as business and residential neighbors in addressing and investigating complaints, criminal acts, refuse issues and any other concerns.

Security and Maintenance

Security Attire

- Security personnel must be readily identifiable to police, patrons, and other employees to ensure the safety of the security staff when engaged with patrons.
- If on-site security personnel are utilized, they should wear an appropriate uniform-style shirt with the word "security" on both the front and back, in two

(2) inch lettering and clearly visible. During cold weather, a jacket with the same inscription should be worn.

Security Officer Responsibilities

The Permittee or management must clearly delineate the below responsibilities to all new security personnel and ensure these responsibilities are explained and understood.

- Civilian Security Officers will be responsible for patrolling the full property of the facility during all hours when patrons are in the facility, outside the facility, and in the facility parking areas.
- The Permittee warrants that there will be a minimum of 1 uniformed security officer(s). (Wearing the above-described uniform). The following responsibilities shall be agreed upon and adhered to:
 1. 1 Security officer(s) will be responsible for roaming the interior of the business and identifying hazards, problems, and maintaining patron safety.
 2. 1 Security officer(s) will be responsible for conducting roaming patrol of the exterior in an effort to prevent criminal behavior, maintain the peace and prevent refuse issues. This patrol shall include all parking areas to prevent a gathering of patrons during business hours and up to thirty (30) minutes after closing.
 3. 1 Security officer(s) will be responsible for ensuring that no persons are consuming marijuana on the dispensary property, or on adjacent properties.
- In addition, security officers will report all acts of violence to management personnel, complete a written report, log the act of violence, and contact Scottsdale Police Department immediately. Unreported acts of violence may result in revocation of the Permittee's Conditional Use Permit. Facility management, company members, corporate officers/shareholders, or facility ownership has the ultimate responsibility for the recording of the act of violence, logging of the act of violence, and reporting the act of violence to the Police Department and the Arizona Department of Health Services.

Management Responsibilities

The Permittee must clearly delineate the below responsibilities to all managers, assistant managers, and person(s)-in-charge and ensure these responsibilities are understood and followed.

- The manager(s) shall ensure that all employees, security staff and off-duty officers employed by the facility be trained and knowledgeable about the contents of this plan. The following shall be agreed upon and adhered to:
 1. There will be a minimum of 1 manager(s) available on the premises during hours of operation.
 2. If security personnel are utilized, at least one manager shall be identified as the "Security Manager" for the facility and be responsible for ensuring that a safe environment exists, for the supervision of all security personnel and that all security personnel as identified here shall meet or exceed the requirements established by A.R.S. 32-2621

through A.R.S. 32-2636, as amended, relating to security personnel and guards, and any regulation issued pursuant thereto.

3. At least one security manager will be on duty until 30 minutes after closing or the last security officer is off duty, whichever occurs last.

Uniformed Sworn Officer Responsibilities:

If off-duty law enforcement is used for security, it is the responsibility of the Permittee or management to clearly delineate the following responsibilities, which include at a minimum the following:

1. Conduct traffic control as needed
2. Assist civilian security officer(s) in removal of disorderly and/or impaired patrons and maintain the peace outside the establishment.
3. If necessary, patrol the exterior portions of the business to maintain the peace as well as prevent criminal acts.

Parking

- In order to reduce criminal activity that negatively affects the nearby businesses or residential, the Permittee is responsible for the designated parking area to include any lots used by the Permittee's patrons and employees.
- It is the Permittee's responsibility to ensure that parking areas utilized by patrons and employees will be routinely patrolled so parking areas are not used: as a gathering place for use or consumption of medical marijuana or spirituous liquor, for other violations of state or city law or for acts of violence or disorderly conduct.

Refuse Plan

- It is the Permittee's responsibility to ensure refuse containers are properly used and the area in and around the business is kept clean. Failure to do so will result in an investigation and possible citation from the City of Scottsdale Code Enforcement or other governmental agencies.
- Waste associated with the medical marijuana, including seeds, stems, leaves, oils, etc. shall be disposed of in accordance with Title 36, Chapter 28.1 of the Arizona Revised Statutes and/or Title 9, Chapter 17, Article 3 of the Arizona Department of Health Services.

Establishment of Records

- In addition to those requirements spelled out in Title 9, Chapter 17, Article 3 of the Arizona Department of Health Services, the Permittee shall retain all records related to the operation of the establishment for a period of no less than 2 years. Records include all audio recordings, video recordings, written receipts, invoices and evidence of any transaction occurring within or without the establishment that are related to the establishment.
- Records may be maintained at an off-site location, but must be produced, if requested by any law enforcement officer, within 24 hours.
- Failure to maintain records for a minimum of 2 years may result in revocation of the Conditional Use Permit.

- Failure to produce records subsequent to a written or verbal request by any law enforcement officer within 24 hours may result in revocation of the Conditional Use Permit.

Physical Security

It is the Permittee's responsibility to utilize the following security measures throughout the property:

- Video Surveillance
 - In addition to those requirements spelled out in Title 9, Chapter 17, Article 3 of the Arizona Department of Health Services, the Permittee must install and utilize 24-hour video surveillance and hardened video lines that record to a secure or off-site location, and that the Permittee can provide to the Arizona Department of Health Services or Scottsdale Police Department upon request.
 - Video surveillance must record all persons who enter the facility, persons who submit registry identification cards, and the registry identification cards.
 - Video surveillance must cover all interior patron areas and exterior parking areas.
- Audible and Silent Alarms
 - In addition to those requirements spelled out in Title 9, Chapter 17, Article 3 of the Arizona Department of Health Services, the Permittee must install and utilize audio and silent monitored alarms and must obtain the required City of Scottsdale alarm permits.
- Physical Security Measures
 - The Permittee must develop a plan to address all aspects of physical security for the facility, including bollards to prevent vehicle intrusions into the facility, alarm security and written risk assessment by police personnel.
- Access to Employee Areas
 - The Permittee must utilize coded security doors that restrict access to any employee-only areas.
- Vending Machines
 - Vending machine operation for dispensing of product is restricted to the times when a manager or assistant manager is present and the facility is open for business.
- Lighting
 - All portions of the establishment and patron parking areas will be sufficiently illuminated, and the lighting will be consistent with the City Policy for Exterior and Site Lighting.

Enforcement of Security Plan

Violations of this Security Plan will be enforceable by City of Scottsdale Police Officers and/or Code Enforcement employees and may constitute grounds for revocation of applicable use permits relating to the facility.

Violation, amendment, revocation, as defined in Scottsdale City Zoning Code Sec. 1.402.

Conditional use-permits, which have been approved by the City Council, shall be subject to the following procedures and criteria regarding any violation, amendment, or revocation.

- The violation of any condition imposed by the conditional use permit shall constitute a violation of this ordinance and shall be subject to the requirements of Section 1.1400 et seq.
- Conditional uses shall be developed in conformance to the approved plans as determined by the Zoning Administrator. An amendment to a conditional use permit is required before implementation of any material change in the scope and nature of an approved conditional use, material change in any conditions or stipulations to a conditional use permit or material change in the physical size, placement or structure of property subject to a conditional use permit. The Zoning Administrator shall have the discretion to determine if a proposed change warrants an amendment. An amendment must be approved as provided in Section 1.400 et seq. for the approval of conditional use permits.
- The Zoning Administrator may recommend to the City Council and the City Council may affect revocation of a conditional use permit pursuant to Section 1.402 of the Scottsdale Zoning Code for acts including but not limited to:
 1. A violation of the Plan.
 2. Violation of the conditions of the Use Permit.
 3. Violation of Scottsdale ordinances or law.
 4. Repeated acts of violence or disorderly conduct as reflected by police calls for service or offenses occurring on premises utilized by patrons of the Permittee, or failure to report acts of violence
 5. Failure of the Permittee to take reasonable steps to protect the safety of persons entering, leaving or remaining on the premises when the Permittee knew or should have known of the danger to such person, or the Permittee fails to take reasonable steps to intervene by notifying law enforcement officials or otherwise to prevent or break up an act of violence or an altercation occurring on the premises or on premises utilized by patrons and employees of the Permittee when the Permittee knew or reasonably should have known of such acts of violence or altercations.
 6. Any enlargement or expansion of the premises, plan of operation or program format without appropriate approval from the City.
 7. Misrepresentations or material misstatements of the Permittee, its agents or employees.

Dissemination of the Security Plan

- A copy of this security plan must be provided to each security officer, off-duty sworn law enforcement officer, manager(s) and assistant manager(s) employed by the permittee.

- A reading log will be maintained and will be signed by each of the above persons, stating they have read and understood this plan. Each security employee must read the plan once per year, or when there are any changes to the plan.
- A current copy of this plan will be maintained on the premises at all times, and a copy of this plan must be made available upon request of any code enforcement officer or police officer.
- Failure to conform to this plan will be considered a violation of the use permit.

Termination of the Plan

- This plan terminates on the date that the permittee's use permit terminates.
- An annual review of this plan may be conducted by City staff and revisions may be required.

Enclosures

- ☐ Addendums attached _____
- ☐ Refuse Plan (Must Be Attached)

APPLICANT/MANAGEMENT:

Name: Chrissie-ann Green

Address: 7201 e camelback rd.

Phone: 516-241-1298

Date: 3/7/2019

Signature: _____

APPROVED BY:

Detective:

Phone:

Date:

Signature: _____

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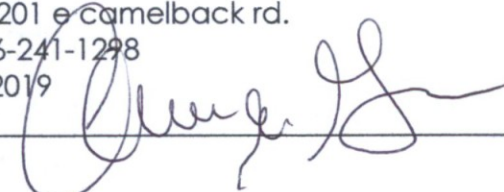
APPLICANT/MANAGEMENT:

Name: Chrissie-ann Green

Address: 7201 e camelback rd.

Phone: 516-241-1298

Date: 3/7/2019

Signature:  _____

APPROVED BY:

Detective:

Phone:

Date:

Signature: _____

SECURITY PLAN

Sunday Goods understands that security is of paramount importance. We are keenly aware of the added security challenges that a business of this nature faces. We have taken extensive measures to have professionally vetted policies, procedures, and systems in place to provide comprehensive protection— not only for our facility and inventory, but also for our employees, contractors, and the surrounding community. Pursuant to AZDHS Rules Section R9-17-318, we will install and maintain state-of-the-art security systems utilizing commercial-grade equipment, managed and operated by experienced employees with training in security standards and system management. Elements of our comprehensive security plan include:

- Sophisticated facility design and appropriate exterior aesthetics;
- High-definition video surveillance system, operational 24/7 with cameras located strategically throughout the interior and exterior premises;
- Advanced access control devices to limit and monitor access to sensitive areas;
- An integrated alarm system that utilizes a combination of intrusion detection, silent, hold-up and system failure alarms;
- Installation of interior and exterior lighting fixtures to ensure adequate lighting conditions for security monitoring;
- A security training program designed by security experts that focuses on diversion prevention and detection, as well as methods for de-escalation and conflict resolution;
- Emergency management training including procedures for dealing with fire, natural disasters, security threats (i.e., intruders, robbery, civil unrest), and medical emergencies.

MANAGEMENT RESPONSIBILITIES

Management (e.g., managers, assistant managers, and all persons-in-charge) will implement protocols for employee safety and management, and security of medical marijuana and infused products. Our team has demonstrable knowledge in securing medical marijuana product through all phases of manufacturing, transport and sale and have leveraged this experience in developing security-related SOPs.

Detailed written procedures have been developed for all tasks related to security operations and are designed to ensure that tasks are carried out correctly and in compliance with all applicable regulations. A significant advantage to our operations is the development of our SOPs through execution in actual processing, manufacturing and dispensary settings, allowing us to identify potential process gaps and implement corrective actions.

In addition to the enforced SOPs, there will be at least (1) Security Manager on the dispensary premises during hours of operation. At least one Security Manager will remain on the premises until thirty minutes after closing, or the last Security Officer is relieved of their duties, whichever occurs last. Security Managers will be responsible for maintaining a safe environment as well as executing strict adherence to our policies and procedures.

RECORD KEEPING

The maintenance of critical business records is of high priority to our team. As such, we have designated the General Manager to ensure that our facility maintains not only the records required by O.A.C. §3796, but also those records necessary for operating a transparent facility as determined by our experience in operating licensed medical marijuana businesses. With experience in medical marijuana processing operations, our General Manager has successfully implemented recordkeeping plans for highly regulated industries. The facilities have passed all required reporting standards and have been praised for the accuracy in which records are maintained. We will replicate this model at our Ohio processing facility through the implementation of our recordkeeping policies and procedures.

We will keep and maintain upon the licensed premises for a two-year period, unless otherwise stated in these rules, true, complete, legible, and current books and records. All required records must be made available for inspection if requested by the department. The following records will be maintained:

1. Records relating to the disposal of medical marijuana, medical marijuana products, and waste;
2. Records related to the sale of medical marijuana;
3. Transportation records;
4. Records of all samples sent to an independent testing lab and the quality assurance test results;
5. Security records;
6. Inventory tracking records and inventory records maintained in the inventory tracking system, as well as records maintained by the facility outside the inventory tracking system;
7. Processing records, which at a minimum shall include:
 - a. The form and types of medical marijuana maintained at the facility on a daily basis;
 - b. Production records, including extraction, refining, manufacturing, packaging, and labeling;
8. Financial records including:
 - a. Records that clearly reflect all financial transactions and the financial condition of the business, including contracts for services performed or received that relate to the processor;
 - b. Purchase invoices, bills of lading, manifests, sales records, copies of bills of sale, and any supporting documents, including the items and/or services purchased, from whom the items were

- purchased, and the date of purchase;
 - c. Bank statements and canceled checks for all accounts relating to the processor, if applicable; and
 - d. Accounting and tax records related to the processor and all investors in the facility.
- 9. Employee records including:
 - a. All records relating to the hiring of employees, including applications, documentation of verification of references, and any other related materials;
 - b. An employee log that includes the following information for every current and former employee:
 - i. Employee name, address, phone number, and emergency contact information;
 - ii. Registration number and access credential designation;
 - iii. Date of hire and date of separation from employment, if applicable, and the reason for the separation;
 - iv. All training, education, and disciplinary records; and
 - v. Salary and wages paid to each employee, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with any medical marijuana entity, including members of a non-profit corporation, if any, and
 - c. Documentation that each employee has been successfully trained in accordance with the operations plan submitted as part of the processor application; and
 - d. Visitor logs.
- 10. Records of any theft, loss, or other unaccountability of any medical marijuana;
- 11. Medical marijuana production and disposal records, stored onsite, including:
 - a. The registered strain or product name, form, and quantity of marijuana involved;
 - b. The date of production or removal from production;
 - c. The reason for removal from production, if applicable;
 - d. A record of all medical marijuana sold, transported, or otherwise disposed of;
 - e. The date and time of selling, transporting, or disposing of the medical marijuana; and
 - f. If the medical marijuana is destroyed, the following information:
 - i. The date and time of disposal;
 - ii. The manner of disposal;
 - iii. The volume and weight of approved solid waste used to render the medical marijuana waste unusable;
 - iv. The reasoning for and description of the disposal;
 - v. The signature of the type 1 employee overseeing the disposal of the medical marijuana;
 - vi. The batch number or numbers, volume, and weight of any medical marijuana extract or plant material being disposed of; and
 - vii. The lot number, registered product name, volume, weight, and unit count of any medical marijuana products being disposed of.

BUILDING SECURITY

Surveillance Systems and Storage

Pursuant to AZDHS Rules Section R9-17-318(G), we will utilize a video surveillance recording system installed by a vendor that meets the standards required by the department to prevent and detect diversion, theft, or loss of medical marijuana, as described below. We will utilize high-definition cameras located strategically throughout the facility, including direct placement near the entrances, exits, and parking areas to capture a clear and certain identification of any person entering or exiting the dispensary, which shall be appropriate for the normal lighting conditions of the area under surveillance. Our surveillance system has been designed to enhance security and safety at the dispensary and deter and prevent intrusion and diversion of marijuana.

Video cameras shall be directed at all safes, vaults, marijuana sales areas, and any other area where plant material, medical marijuana extract, or medical marijuana products are being stored handled or sold (see security overlay on page 18 below).

[JD1]Our video surveillance system will meet or exceed the following minimum capabilities:

- A display monitor with a minimum screen size of nineteen inches shall be connected to the electronic recording security system at all times.
- The ability to immediately produce a clear color still photo that is a minimum of ninety-six hundred dpi from any camera image, live or recorded.
- A date and time stamp embedded on all recordings. The date and time shall be synchronized and set correctly and shall not significantly obscure the picture.
- A recording resolution of at least 704 x 480

The installation of additional lighting may be required to increase picture clarity and brightness. Cameras shall be calibrated and focused to maximize the quality of the recorded image.

CCTV Equipment

We will install state-of-the-art external and internal cameras, each with a minimum resolution capacity of D1 and the image frame rate shall be at least thirty frames per second during an alarm or motion-based recording. This is sufficient to allow facial identification of anyone in or nearing the Facility. All cameras are equipped with motion detection and infrared technology for low light conditions, capable of identifying activity at night or in unlit rooms. Cameras installed outdoors and in low-light interior areas shall be day/night cameras with a minimum resolution of 600 lines per inch (analog) or D1 (IP) and a minimum light factor requirement of 0.7 LUX. Cameras shall be calibrated and focused to maximize the quality of the recorded image.

Our surveillance system allows for the exporting of still images in an industry standard image format, including .jpg, .bmp and .gif. Exported video will have the ability to be archived in a proprietary format that ensures authentication of the video and guarantees that no alteration of the recorded image has taken place and will also have the ability to be saved in an industry standard file format that can be played on a standard computer operating system. All recordings must be erased or destroyed prior to disposal.

CCTV Equipment Storage

We will maintain all security equipment and video surveillance systems in a secure location so as to prevent theft, loss, destruction, or alterations. Storage and monitoring of the CCTV surveillance system will take place in the Security Guard Room, a restricted-access area. Within this space, security personnel will monitor footage using screens of at least 19 inches or greater, with access to a printer capable of immediately producing a clear still photo (9600 DPI min.) from any video image. A synchronized date-and-time stamp will be embedded on all recordings in a location so as not to obscure the picture.

We will limit access to the surveillance system to type 1 key employees that are essential to surveillance operations (i.e., the General Manager, Director of Security, and trained security associates), law enforcement agencies, security system service employees, AZDHS, and others when approved by the department. We maintain, and will make available to the department upon request, a current list of type 1 employees and contractors who have access to the surveillance system.

Pursuant to AZDHS Rules Section R9-17-318(G)(c)(viii), the state requires electrical backup of at least five minutes in the event of power failure. Our electrical backup will be provided with an uninterrupted power supply unit sufficient to supply a minimum of twenty (20) minutes of backup power to our cameras and computers. Please see the following page for detailed information regarding our server specifications.

Camera Placement

Cameras will be strategically placed to capture all portions of the exterior and interior of the facility, including direct placement near the entrances, exits, and parking areas to capture a clear and certain identification of any person entering or exiting the dispensary, which shall be appropriate for the normal lighting conditions of the area under surveillance. Cameras will be directed at all safes and vaults where marijuana is stored and any other areas where marijuana is cultivated, harvested, prepared, stored or handled. Cameras will also be directed at any other area, window, or controlled-access point that could present a risk to the facility if left unmonitored. At points of ingress and egress, cameras will be angled so as to allow for the capture of clear and certain identification of any person, vehicle, and/or license plate.

Camera Specifications and Requirements

We have selected CCTV equipment that exceeds AZDHS's rules and requirements, ensuring both regulatory compliance while enhancing our ability to maintain a safe and secure dispensary. All cameras installed and utilized on the exterior and interior of the facility will meet the following specifications and requirements:

- Pan/tilt/zoom functionality including models that include pan 360° due to the unique Auto-flip functionality, which allows the camera to simulate a continuous pan beyond the mechanical stop, thereby enabling an operator to continuously follow an object (PTZ);
- Compliant with SMPTE standards;
- HDTV 720p and H.264;
- IP51-rated protection against dust and dripping water;
- High Power over Ethernet, compliance with IEEE 802.3at;
- 18x optical zoom;
- 24-hour live feed with motion activated capabilities;
- Full frame rate, high color fidelity and a 16:9 format; and
- Ability to deliver multiple, individually configurable H.264 and Motion JPEG video streams simultaneously.

Our Director of Security will ensure that any failed component of the video surveillance recording system is repaired or replaced within twenty-four (24) hours, unless an extension is approved by the Department.

Surveillance Records

Our security surveillance system will maintain a 24-hour live feed with motion-activated recording capabilities from all video cameras. We will make these recordings available to the for immediate viewing by the department upon request and will retain the recording for at least 45 days. When aware of a pending criminal, civil or administrative investigation or legal proceeding for which a recording may contain relevant information, we will retain an unaltered copy of the recording until the investigation or proceeding is closed or the entity conducting the investigation or proceeding notifies us that it is not necessary to retain the recording.

Alarm System

Pursuant to AZDHS Rules Section R9-17-318(G)(c)(a), we will install an adequate security alarm system around the perimeter of the dispensary to prevent and detect diversion, theft, or loss of medical marijuana, utilizing commercial grade equipment. We will employ the services of Phoenix Surveillance which will be responsible for system installation and monitoring the facility twenty-four (24) hours a day, seven (7) days per week. As part of its contractual obligations, Phoenix Surveillance will:

- Ensure all equipment is UL Listed;
- Ensure technicians and installers are trained and certified;
- Ensure the Security System is IQ Certified;
- Assist in the initial and ongoing training of the security associates;
- Ensure all entrances, doors, windows, vents, and garage doors will be secured by the alarm system.

Our security alarm system includes the following features:

- Intrusion Detection Alarms: Strategically located throughout the facility with capabilities of alerting dispatch who can view the motion on the CCTV and react as needed. This particular alarm provides 24/7 monitoring in remote locations where staff may not always be present. Sensors will be installed in all critically designated spaces (see security overlay) and will include door/window contacts, motion detection, and glass breakage.
- Panic Alarm: An audible security alarm system signal generated by the manual activation if a device intended to signal a life threatening or emergency situation requiring a law enforcement response.
- Back-Up Power Supply: We will have a backup generator that allows for the security surveillance and alarm systems to operate for a period of forty-eight (48) hours during a power outage.

SSL VPN

To be able to login to the network remotely, we will utilize a secured SSL encrypted VPN access. The Director of Security will control user access. Remote users are required to properly identify themselves before obtaining entry to the network to prevent unauthorized access. We will also employ a multi- Factor authentication policy for all remote users. We will configure remote access to enforce a combination of authentication schemes including Active Directory passwords, hardware tokens, client certificates, and PIN numbers.

Access Control

We will strategically place advanced access control devices throughout our dispensary, including areas where medical marijuana products are stored. We have elected to implement biometric controls on all access points to restricted access areas including the vault, back of house, inventory room and office. Only those employees whose job requires direct access to a restricted-access area will be authorized to enter. A complete log of all employees accessing or attempting to access the vault will be maintained within our security system records

We will designate the level of access granted to an applicant for an employee identification card. While we intend to implement additional access restrictions, we will adhere to the minimum state requirements, designating access levels as follows:

- A type 1 designation is an owner, administrator, or individual that has control and management over the day-to-day activities that significantly impact the operations of the processing facility. Type 1 access permits the cardholder to enter every area of the facility. We have designated three type 1 cardholders as a key employee (CEO, General Manager, Director of Security). A key employee is responsible for all activities at the facility and will serve as the point of contact for the facility with the department.
- A type 2 designation is a board member, officer, employee, or agent permitted to enter the production and non-production areas of the facility designated in the facility plans. A type 2 cardholder is not permitted to access the areas containing the vault, security equipment, and other equipment related to the facility's surveillance operations.

All employees must, at all times while on the premises, wear above the waist, their employee identification card issued by the department. In addition to access control equipment, we will implement strict controls regarding access to our dispensary by non-personnel. Our visitor control policy requires that all visitors receive a visitor identification badge upon entrance into the facility. In order to receive the visitor badge we will require that the visitor

provide a valid, government issued identification with a photograph. A person who obtains a visitor identification badge must do the following:

- Be escorted and monitored by an assigned registered employee of the facility at all times he or she is on the premises;
- Visibly display his or her visitor identification badge at all times he or she is on the premises; and
- Return the visitor identification badge upon leaving the premises.

We will maintain a visitor log, which includes the name of the visitor, the date and time of arrival and departure, the assigned registered employee of the facility, and the purpose of the visit. We will make this visitor log available to AZDHS or law enforcement agency upon request.

Inspection/Serviceing

We will ensure that all locks and security equipment are maintained in good working order. All security equipment will be inspected and tested at regular intervals, not to exceed 30 calendar days from the previous inspection, to ensure the systems remain functional. This inspection will cover:

- Video surveillance equipment;
- Third-party monitoring equipment and connections;
- Alarm systems;
- Glass break sensors;
- Electrical connections;
- Motion detectors;
- Smoke detectors;
- Panic buttons;
- Phone connections;
- Information storage and backup systems; and
- Electrical backup systems.

Our Director of Security is responsible for managing system maintenance and testing and will maintain records documenting all inspections and tests. Preventative maintenance and system testing will be performed on the surveillance system at least annually.

Loitering

Sunday Goods will ensure that accurate and consistent identification of individuals that are authorized to enter the dispensary is being followed. Sunday Goods will post signs stating "No Loitering" signs throughout the parking area, as well as any other area commonly utilized by patrons. The Security Officer will be responsible for continuously monitoring the property and enforcing our loitering policy as deemed necessary. In the event any loitering occurs, our Security Officer will escort the individual off the premises, or if necessary, contact law enforcement for assistance.

Security Officer Attire

The Security Officer will be identifiable by their uniform-style shirt and/or jacket, which the word "SECURITY" will be printed on the front/back in at least 2-inch tall lettering.

INVENTORY MANAGEMENT

Internal Inventory Control System

As described in the abp section 2C, we will utilize an internal inventory control system designed for the medical marijuana industry that enables us to keep accurate records of all acquisition, sale, and destruction (when necessary) of medical marijuana products. This system is uniquely qualified as a tool for preventing product diversion—it was originally created as a prescription drug and methamphetamine precursor tracking system used to assist state governments and law enforcement in preventing drug diversion and promoting public safety. Our inventory control system allows for an auditing feature that can be used to track loss of product due to diversion or theft. Important features of the inventory control system that will aid in diversion prevention and discovery include blind audits, shrinkage reports, and inventory forensics reports.

Inventory Tracking

Our Point of Sale (POS) will collect, store, and retrieve all data and activity—with respect to inventory records, quality assurance/laboratory testing, supplier records, employee records, recall reports, quarantine and waste reporting, sales/transaction records, disposal records, and all scanned documents—at any time, in real-time, either in-system or through a report generation tool. All reports in the POS system are updated hourly.

Weekly Inventories

Upon commencing business, our Inventory Manager, in coordination with the GM, will prepare a weekly inventory of medical marijuana at the facility, which shall include, at a minimum:

1. The date of the inventory;

2. The amount of medical marijuana on hand, which shall include:
 - g. The net weight of plant material;
 - h. The net weight and volume of medical marijuana extract;
 - i. The net weight and unit count of medical marijuana products prepared or packaged for sale to a dispensary;
 - j. The results from a testing laboratory indicating the amounts of delta-9-tetrahydrocannabinol and cannabidiol, if available; and
 - k. The registered strain or product names and batch or lot numbers of plant material, medical marijuana extract, and medical marijuana products.
3. The amount of medical marijuana and medical marijuana products sold since previous weekly inventory, which shall include:
 - l. The date of sale;
 - m. The name of the dispensary to which the medical marijuana and medical marijuana products were sold;
 - n. The lot number, strain or product name, and quantity sold;
 - o. The date, quantity, and method of disposal of any plant material, medical marijuana extract, and medical marijuana products, if applicable;
 - p. A summary of the inventory findings; and
 - q. The name, signature and title of the type 1 or type 2 employees who conducted the inventory and oversaw the inventory.

Quarterly Inventory

In addition to the Department-required weekly and annual inventories conducted by our Inventory Director, our CFO will maintain quarterly financial audit statements that include—at a minimum—an income statement, balance sheet and weekly medical marijuana inventory including marijuana acquisition, wholesale cost and sales, and will be prepared in accordance with generally accepted accounting principles. Annually, the CFO will prepare and submit an audit including the same information, compiled and certified by an auditor or certified public accountant. These inventory reports will be stored for a minimum of five years and housed in the Security Director's office, available at the request of the Department.

Annual Inventory

On an annual basis and as a condition for renewal of a processor license, our Inventory Manager will conduct a physical, manual inventory of plant material, medical marijuana extract, and medical marijuana products on hand at the processor, and compare the findings to an annual inventory report generated using both the state inventory tracking system and Point of Sale

Waste Disposal

Contaminated, expired and unwanted medical marijuana, edibles and infused products will be stored and secured in properly labeled containers. A weekly pick-up will be scheduled with a designated and licensed waste disposal company. The waste disposal company will send a rep to collect and dispose of the waste per the following procedures:

1. Upon completion of the chain of custody forms for transportation, a dispensary agent will notify the waste disposal company
2. Waste disposal company will complete necessary chain of custody documents and pick up waste from said dispensary.
3. Documents provided to waste disposal company rep will be stored in accordance to dispensary's document storage and retention SOP.
4. Inventory records will then be updated by the manager on duty to reflect medicines that were disposed of.

TRANSPORT PROCEDURES

Vehicle Inspection

Logistics associates will do a visual/manual inspection of their vehicle prior to use for product transport. This inspection will include the vehicle's exterior and interior, with particular attention paid to the cargo area. All electronic devices including the CCTV, fixed panic button, portable wireless panic button, GPS tracking system, and electronic access door system will be tested for functionality. The results of all inspections will be documented in the Daily Vehicle Inspection Log. Any failures of the systems noted above shall be reported to the Director of Logistics prior to committing the vehicle for assignment.

Product Preparation and Loading

The Director of Logistics will supervise logistics associates to prepare orders for transport based on received purchase orders. The Director of Logistics will prepare the required transportation log using information contained within the purchase order. Order preparation occurs no more than 24 hours before the scheduled delivery. Logistics associates will verify product packaging and

labels during this process to ensure compliance with applicable regulations. Once all products have been pulled, the logistics associate will pack each product type within the secure transport cases, verifying each item against the purchase order. Packing of the transport case must take place in an area under video surveillance and involve at least two (2) employees. Once each ordered product has been added to the case, the Director of Logistics will verify the contents and sign the purchase order confirming all ordered products are present in the transport case. The case will then be locked and loaded into the transport vehicle.

Extensive training of employees will ensure that all staff is informed of security and anti-diversion measures and properly trained to comply with all policies and procedures. Transfers of raw plant material and medical marijuana products between manufacturing units will be:

- Approved by a director-level employee, and with the approval of the Director of Security
- Fully documented in the inventory control system and by camera surveillance; and
- Limited to the internal manufacturing unit. No usable plant material may ever leave the production facility.

§3796:5-3-01(E):

- Display his or her department issued employee identification card at all times when transporting or delivering medical marijuana and produce it for the department or department's authorized representative or law enforcement official upon request;
- Ensure delivery times vary and routes are randomized;
- Report any vehicle accident that occurs during the transportation to the Director of Logistics within two hours after the accident occurs;
- Immediately report any loss or theft of medical marijuana that occurs during the transportation of medical marijuana to the department and law enforcement;
- Carry a copy of the completed transportation log for the duration of the trip; and
- Notify the Director of Logistics when the delivery has been completed.

In addition to the requirements imposed by the state, we will require that all logistics associates obey all laws and drive in a careful and prudent manner at all times. Logistics associates are not to transport any person in a company vehicle, except in the line of duty or with supervisory approval.

In-Transit

Any vehicle transporting medical marijuana or any product containing medical marijuana will travel directly from the processing facility to the receiving medical marijuana entity and will not make any stops in between except to other medical marijuana entities listed on the transportation log, to refuel the vehicle, or to notify the Director of Logistics, the department and law enforcement in the event of an emergency. Whenever possible, refueling should only take place when the vehicle does not contain medical marijuana products.

Arrival and Delivery

When five (5) minutes away from the receiving medical marijuana entity, the non-driving logistics associate will contact the receiving entity via phone. Upon arrival, at least one associate must remain with the vehicle at all times that the vehicle contains medical marijuana. The delivering associate will verify the employee identification badge of the employee receiving the product, ensuring they are registered with the state. All products will be unloaded by purchase order line item, verifying quantities against the transportation log. Once all products have been unpacked and verified, the receiving employee must sign a copy of the transportation log. The signed copy will be retained by the logistics associate for recordkeeping.

Post-Transport

Once all product deliveries have been made, logistics associates must immediately return to the processing facility. Upon arrival back at the facility, associates will complete an exit inspection, updating the Daily Vehicle Inspection Log with information regarding fluid levels, observations of damage, and discovery of defective equipment. Any discovery of "new" damage shall be reported to the Director of Logistics immediately.

(B) Emergency notification procedures with the department, law enforcement, and emergency response professionals. (3796:3-1-03(B)(4)(c))

In compliance with OAC 3796:2-1-03, we have developed detailed notification policies, procedures and protocols for reporting incidents to the department, law enforcement and emergency response professionals. All employees receive training on facility and operational safety as well as emergency notification procedures. Safety rules addressed include those relevant to accident and hazard reporting, drug and alcohol use, driving, work-related injuries, and the required use of personal protective equipment (PPE). Enforcement measures and disciplinary actions detailed are to be implemented in response to safety rule violations.

All emergency situations, including chemical spill response, will be handled by local emergency response agencies. Additional measures will establish procedures for injury claims and policies related to workers' compensation and benefits provided.

Emergency Preparation

The General Manager will post and maintain an emergency contact list in each departmental area of the facility. All employees will be properly trained in department specific Incident Response. Material Data Safety Sheets (MDSS) for all chemicals used in the facility will be organized, accessible to all employees, and placed available for review by any employee or visitor.

Emergency and Incident Response

Provisions for general emergency and incident management, general incident containment, and corrective measures are in accordance with applicable legal and regulatory requirements and company policies and procedures. These provisions address any incident including natural disaster, unauthorized access, theft, or disclosure of confidential information. The General Manager, in coordination with the Director of Security, will develop primary and alternate contact lists and a notification tree for the facility. The General Manager, in coordination with the Director of Security, is responsible for confirming the occurrence of an incident requiring the execution of the response protocols, and for ensuring the response protocols are followed.

All employees will immediately notify the General Manager and the Director of Security after the discovery of a reportable Incident, as well as the department and appropriate law enforcement authorities within 24 hours of such discovery. Measures for incident reporting in accordance with state law and regulations are comprehensively detailed in our company policies and procedures. All Incident activities will be documented. All documentation related to an incident will be maintained for no less than five (5) years and made available, upon request, to the Department and to law enforcement authorities acting within its lawful jurisdiction.

The primary emphasis of activities described within these protocols is the return to a normalized (secure) state as quickly as possible, while minimizing the adverse impact to those we serve.

Examples of Incidents

Examples of an Incident may include, but are not limited to:

- Theft or physical loss of medical marijuana products or confidential records;
- Robbery or unauthorized entry to the facility;
- Threats of violence to the facility, personnel, or visitors; or
- Other incidents including:
 - Bomb threats
 - Fires
 - Earthquakes
 - Hazardous Materials Release
 - Floods
 - Windstorms
 - Civil Disturbances
 - Pandemic Flu
 - Serious Accidents
 - Criminal Activity

Incident Training Required

All employees are required to receive incident training upon hiring and annually in accordance with company policies and procedures for employee training. The Director of Security is responsible for incident training. The General Manager in coordination with the Director of Security, is responsible to ensure the adequate training of employees utilizing third-party trainers, as necessary.

Upon completion of the incident training, each employee is responsible for knowing:

- The location of alarms, utility cabinets, fire extinguishers, emergency exits, and first aid supplies.
- The identity of the person who is trained to extinguish a fire using a portable fire extinguisher (if it is safe to do so).
- A pre-planned evacuation route based on the employee's familiarity with the building;
- Not to re-enter the building nor allow others to re-enter until an incident has been resolved as instructed by the Director of Security.
- Facility floor plans and evacuation plan maps, which should be reviewed on a routine basis.

To ensure an appropriate and timely execution of these protocols, the Director of Security in coordination with the General Manager, is required to:

- Confirm the occurrence of an Incident requiring the execution of these protocols;
- Secure all product following any instance of diversion, theft, or loss of medical marijuana products, and conduct an assessment to determine whether additional safeguards are necessary;
- Collect any evidence supporting the event (unless law enforcement is required on scene);
- Supervise and direct the consistent, timely, and appropriate response to an incident;
- Provide appropriate communication to parties having a vested interest in the incident.
- Offer support to employees as appropriate until the incident is resolved.
- Conduct a post-incident review and make any necessary adjustments to security measures and procedures.

Incident Assessment Checklist

The activities described in this checklist are designed to assist in the initial assessment process performed by the Director of Security, in coordination with the security associates. Completion of this checklist is essential for any incident that calls for the execution of the Incident Response Protocols. Once a review team is assembled, the Incident Response Assessment Checklist is reviewed for completion to ensure all pertinent facts are established.

Incident Response Protocols

The Director of Security will ensure the appropriate response protocols are followed. The response protocols include the following:

- **Assessment:** The Director of Security will determine the category and severity of the Incident and undertake discussions and activities to best determine the next best course of action. All discussions, decisions, and activities are to be documented.
- **Evacuation:** The Director of Security may determine the need to evacuate a facility. Reasons for evacuation may include:
 - Fire
 - Bomb threat
 - A hostile or violent employee, patient, visitor, or unknown person
 - Power outage
 - Earthquake
 - Flood
 - Water or gas leak
 - Hazardous chemical spill
 - Robbery or hostage situation

Disabled individuals or others who need assistance should:

- Be assisted by an able-bodied employee.
- Be evacuated only under the direction of authorized emergency personnel or when there is an immediate threat to personal safety and security (i.e., Fire Department).
- **Notification and Communication:** The Director of Security will take action to notify the appropriate internal and external parties, as necessary.
 - Internal notification protocol – The General Manager and the Director of Security. The Director of Security will notify the GM and CEO of an incident as soon as possible. The Director of Security, in coordination with the GM will notify personnel as necessary.
 - External notification protocol – Except for contacting emergency responders, all external notifications and communications must be approved by the Director of Security, the GM, and the CEO. External parties may include regulators, suppliers, patients, media, or other affected parties.
- **Containment:** The Director of Security, in coordination with the GM, will determine and cause to be executed the appropriate activities and processes required to quickly contain and minimize the immediate impact to personal safety, the company, patients, and other affected parties. Containment activities are designed to:
 - Minimize harm to individuals
 - Counteract the immediate threat
 - Prevent propagation or expansion of the incident
 - Minimize actual and potential damage
 - Restrict knowledge of the incident to authorized personnel, including the Department of Health
 - Preserve information relevant to the incident
- **Corrective Measures:** The Director of Security, will determine and cause to be executed the appropriate

activities and processes to quickly restore circumstances to a normalized (secure) state. Corrective measures are designed to:

- Secure the environment
- Restore the environment to its normalized state
- Incident Closure: The Director of Security, will stay actively engaged throughout the life of the incident to assess the progress/status of all containment and corrective measures and determine at what point the incident can be considered resolved. Recommendations for improvements to processes, policies, procedures, etc. will exist beyond the activities required for incident resolution and should not delay closing the incident, but will be implemented by the Director of Security.

PERSONNEL

While the use of technology can certainly play a significant role in preventing diversion, our employees represent perhaps the most important tool in ensuring patient and product safety. From our hiring process to our training program, our employees will be evaluated for their adherence to rules and regulations, as well as their character and fitness for working in a highly regulated industry around sensitive products. All employees must pass required background checks and qualify for registration as mandated in O.A.C. §3796. Once employees have passed our initial vetting process, they are provided with in-depth training on facility operations. During this training, employees are introduced to our facility's standards regarding ethical behavior and incident reporting. This training discusses the consequences for product diversion, up to and including termination and potential prosecution, as well as methods for identifying diversion by colleagues and visitors. Employees are trained to report suspicious behavior immediately either through direct contact with their supervisor or through a dedicated phone line where they can submit their report anonymously.

Local Coordination

One key element of our safety and security plan is local law enforcement participation. We will reach out to local law enforcement officials in our application area to enlist their input and cooperation in the execution of our security plan. The goal is for our plan to exceed current standards for policing, protecting, and securing a medical marijuana dispensary of a similar type and size.[JD2]

Training

With guidance from our Director of Dispensary Operations, General Manager and Security Consultant, the Director of Security will establish and oversee employee security training. This training will be offered as a component of foundational training and is mandatory for all employees before they begin work in the facility. The security module details the proper use of security measures and controls that have been adopted by the facility for the prevention of diversion, theft or loss of medical marijuana, as well as instruction regarding regulatory inspection preparedness and law enforcement interaction.